

# ***New Data Adjustment***

## *Chapter* **4.4**

What is a new data adjustment?	4.4-1
What is new data?	4.4-1
What if the new data is correct?	4.4-1
Which schools are eligible to submit a new data adjustment?	4.4-2
What benefit will a school gain from submitting a new data adjustment?	4.4-3
What roles do the Department and data managers have in a school's new data adjustment?	4.4-3
What types of new data adjustment allegations may a school submit as a part of a new data adjustment?	4.4-4
How does a school submit new data adjustment allegations to a data manager?	4.4-6
How does a school identify the data manager of a loan?	4.4-10
How does a data manager respond to a school's new data adjustment allegations?	4.4-10
Which Department addresses should a data manager use when submitting a copy of a new data adjustment allocations response?	4.4-14
What does a school do with the data manager's new data adjustment allegations response?	4.4-16
Which Department addresses should a school use when submitting a new data adjustment?	4.4-18
What happens after the school submits the new data adjustment?	4.4-20



# New Data Adjustment

## What is a new data adjustment?

A new data adjustment is a course of action that provides a school with the opportunity to challenge the accuracy of “new data” included in the school’s official cohort default rate. A school can only request a new data adjustment of the most recent official cohort default rate data.

Timing is critical when submitting a new data adjustment. A school must send new data adjustment allegations to the data manager responsible for the loan within 15 calendar days of receiving the loan record detail report for the official period. Figure 4.4.1 shows the time frame for submitting a new data adjustment.

## What is new data?

New data occurs when data reported to National Student Loan Data System (NSLDS) changes between the calculation of the draft and official cohort default rates. NSLDS is continuously provided with new or updated information. Because the draft cohort default rates are calculated approximately six months before the official cohort default rates are calculated, the data used to calculate the draft cohort default rates may be different than the data used to calculate the official cohort default rates.

New data can be identified by comparing the loan record detail report for the draft period and the loan record detail report for the official period for the same year and determining if any loan data is newly included, excluded, or changed in any manner.

The following are examples of new data:

- ❖ A loan is included in one calculation but not included in the other calculation.
- ❖ A loan is included in one calculation as a non-defaulted loan but included in the other calculation as a defaulted loan.

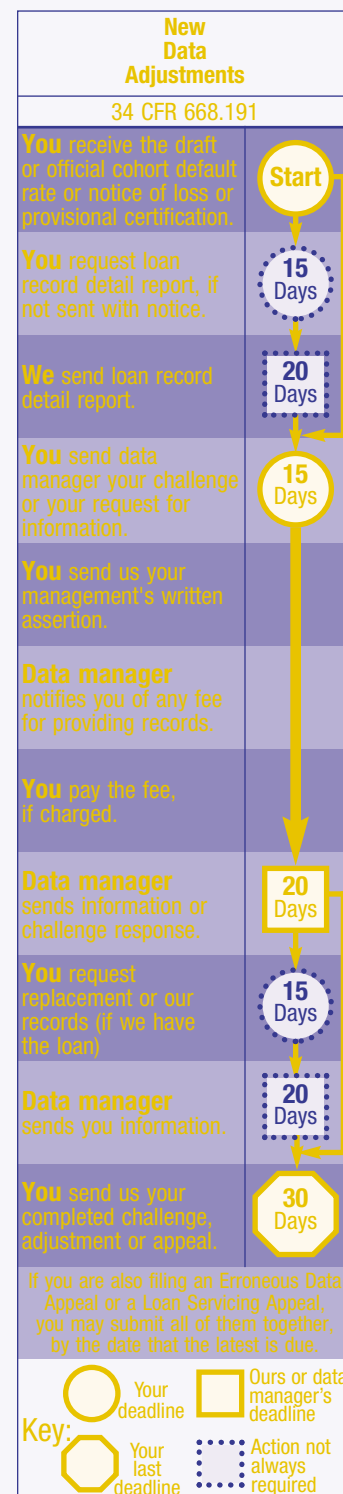
## What if the new data is correct?

If the new data in the loan record detail report for the official period is correct, a school cannot submit a new data adjustment. A school can only submit a new data adjustment when the new data is incorrect. Therefore, for the purposes of this chapter, any mentions of “new data” refer to “new incorrect data.”

34 CFR 668.191

**Figure 4.4.1**

**Time Frame for Submitting a New Data Adjustment**



**Which schools are eligible to submit a new data adjustment?**

All schools with an official cohort default rate may submit a new data adjustment, regardless of the school's official cohort default rate. Even schools that have withdrawn from the Federal Family Education Loan (FFEL) and/or William D. Ford Federal Direct Loan (Direct Loan) programs should review the loan record detail report for the draft period and the loan record detail report for the official period and, if appropriate, submit a new data adjustment.

The school begins the process by asking the data manager responsible for the loan to review the school's new data adjustment allegations. If the data manager agrees with the school's new data adjustment allegations, the school then submits a new data adjustment to the U.S. Department of Education's (the Department's) Default Management. However, if the data manager does not agree with the school, the school may not submit a new data adjustment to Default Management.

***A school that is subject to sanction should not submit a new data adjustment***

A school that is subject to sanction should not submit a new data adjustment. Rather, a school subject to sanction should submit an erroneous data appeal. A school can appeal a data manager's adverse ruling on an erroneous data appeal to Default Management. For more information on erroneous data appeals, see Chapter 4.5, "Erroneous Data Appeal."

A school should submit a new data adjustment if

- ❖ a loan on the loan record detail report for the official period is newly included, excluded, or changed in some manner when compared to the loan record detail report for the draft period, and
- ❖ the school believes the loan is being used incorrectly in the official cohort default rate calculation.

If the loan data are reported in the same manner in the loan record detail report for the draft period and the loan record detail report for the official period, the school may not submit a new data adjustment.

If a school does not submit a new data adjustment after the release of the official cohort default rates, the school will not have the opportunity to submit a new data adjustment at a later time.

**What benefit will a school gain from submitting a new data adjustment?**

If, as a result of a new data adjustment (or as the result of a school's submission of any adjustment or appeal), Default Management determines that a school's official cohort default calculation data is incorrect, Default Management will manually recalculate the official cohort default rate using the corrected data. This may lower, raise, or not affect the cohort default rate. If the school is subject to sanction and the official cohort default rate is lowered below the sanction level, the school is no longer subject to sanctions. In addition, a school that would otherwise be subject to sanctions in a later year may avoid being subject to sanctions.

However, even though Default Management may revise an official cohort default rate, subsequent copies of the loan record detail report for the official period will not reflect the change. Therefore, it is important for a school to keep a copy of Default Management's final determination letter as the official record of the school's revised official cohort default rate.

**What roles do the Department and data managers have in a school's new data adjustment?**

A data manager is required to review a school's new data adjustment allegations if the new data adjustment allegations are submitted in a timely manner and the data manager has responsibility for the loans. If a school submits a new data adjustment allegation to the wrong entity, the new data adjustment allegation will not be reviewed and the school could miss the deadline. The guarantor/servicer code on the loan record detail report identifies the data manager for a loan. See Chapter 2.3, "Loan Record Detail Report," for information on determining the data manager for a loan.

The data manager must respond to the school's new data adjustment allegations within 20 calendar days of receipt. However, the data manager should not review new data adjustment allegations if the school did not send the new data adjustment allegations within the 15 calendar day time frame. If the data manager does not respond within 20 calendar days, the school should advise Default Management in writing of the delay.

The Department is responsible for responding to a school's new data adjustment allegations if the Department is the data manager for the loans. The Department is the data manager for Federal Family Education Loans (FFELs) the Department holds and for all William D. Ford Federal Direct Loans (Direct Loans).

Default Management is responsible for responding to schools' new data adjustment allegations regarding FFELs that the Department holds. These loans are primarily identified in the loan record detail report with a guarantor/servicer code of 555. See Chapter 2.3, "Loan Record Detail Report," for a listing of other codes that identify the Department as the holder of a loan.

The Department's Direct Loan servicer is responsible for responding to schools' new data adjustment allegations regarding all Direct Loans, even those that are in default. These loans are identified in the loan record detail report with a guarantor/servicer code of 0101.

Default Management is also responsible for reviewing a school's new data adjustment, which is submitted to Default Management once the school has received confirmation that a change to the data is warranted. If the data manager indicates that a change is not warranted, the school cannot submit those new data adjustment allegations to Default Management as a part of a new data adjustment. If Default Management determines that the data manager correctly agreed that changes are warranted to the new data identified by the school, Default Management will recalculate the school's official cohort default rate based on the correct data and notify the school of the revised official cohort default rate calculation.

**What types of new data adjustment allegations may a school submit as a part of a new data adjustment?**

Chapter 3.1, "Cohort Default Rate Strategies," contains examples of new data adjustment allegations a school may submit as a part of a new data adjustment and the sort of documentation a school should submit to support the new data adjustment allegation provided that the loans on which the new data adjustment allegations are based are considered new data. The new data adjustment allegations listed in that section are common new data adjustment allegations; a school may submit a new data adjustment based on new data adjustment allegations not covered in that section.

To demonstrate that a record is considered new data, a school must include with its request a copy of the relevant page(s) from the loan record detail report from the draft period and the loan record detail report from the official period to show that the loan has been newly included, excluded, and/or changed in some manner between the calculation of the draft and official cohort default rates.

Each new data adjustment allegation must be accompanied by at least one page of a loan record detail report. The school should include the page where the borrower appears or where the borrower should have appeared if the borrower is incorrectly omitted. If the borrower is being moved from one cohort default period to another, the school should include the page of the loan record detail report where the borrower currently appears and the page of the loan record detail report where the borrower should appear. The school should provide both pages of the loan record detail report if the borrower belongs at the end of one page or at the beginning of the next page.

A school must submit supporting documentation with its new data adjustment allegations. Relevant supporting documentation for any new data adjustment allegation includes, but is not limited to, the following:

- ❖ a copy of a letter to the relevant data manager that informs the entity of the borrower's last date of attendance or less-than-half-time date and proof that the documentation was timely sent to the relevant data manager;
- ❖ a dated copy of a Student Status Confirmation Report (SSCR) sent to a relevant data manager that confirms the borrower's last date of attendance or less-than-half-time date and proof that the documentation was timely sent to the data manager;
- ❖ a screen print from the SSCR function within NSLDS that confirms the borrower's last date of attendance or less-than-half-time date was timely recorded within NSLDS; or
- ❖ a copy of a cancelled check, front and back, or other documentation showing that the borrower's loan was cancelled and fully refunded within 120 days of disbursement by the lender.

If the data a school submits as a part of a new data adjustment was never originally submitted to the relevant data manager or NSLDS, or if the data was not submitted in a timely manner, the data manager should respond that the issue in question was determined based on the best information available at the time and that as a result, no change is warranted for cohort default rate purposes. To be considered timely, the school must have submitted the data to the data manager within two months of the event it concerns.

***Each new data adjustment allegation must be accompanied by at least one page of a loan record detail report***

## How does a school submit new data adjustment allegations to a data manager?

Timing is critical when submitting a new data adjustment. A school begins the process by submitting new data adjustment allegations to the holder of a loan. A school must send its new data adjustment allegations to the data manager responsible for a loan within 15 calendar days of receiving the loan record detail report for the official period.

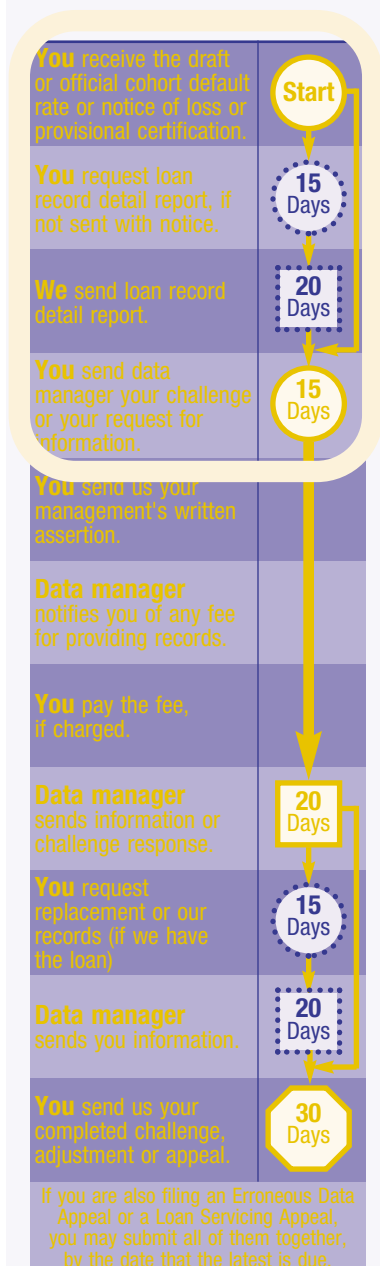
If a school does not receive a loan record detail report for the official period, and the school believes it may have grounds for a new data adjustment, it must request the loan record detail report for the official period within 15 calendar days of receiving the official cohort default rate notification letter. See Chapter 2.3, “Loan Record Detail Report,” for information on requesting a loan record detail report for the official period.

Upon receiving the loan record detail report for the official period, a school should compare the loan record detail report for the draft period to the loan record detail report for the official period to determine if any loan data has changed between the reports and, if so, whether the changes result in the loan being reported incorrectly. If the school believes the loan record detail report for the official period contains new and inaccurate data, it should submit a new data adjustment. The new data adjustment process begins when a school submits new data adjustment allegations to the data manager for a loan.

A school must prepare materials for each data manager for which the school alleges new incorrect data. The materials should include the following items:

- ❖ A new data adjustment allegation spreadsheet that lists the new data. As mentioned, the new data must also be incorrect data.

Figure 4.4.2 is a sample school new data adjustment allegation spreadsheet to a data manager. See the blank spreadsheet and the instructions for creating and completing the spreadsheet in the “Incorrect Data Challenge, New Data Adjustment, and Erroneous Data Appeal Tools” section of Chapter 4.11, “Challenge, Adjustment, and Appeal Tools.” A school may photocopy and use the blank spreadsheet when submitting new data adjustment allegations or create its own spreadsheet using the layout provided.



Data Manager Name: State Guaranty Agency  
 Data Manager Code: 111  
 School Name: Coralville College  
 OPE ID: 998998  
 Number of Borrowers: 2  
 Number of Loans: 3

### FY 2001 Data Manager New Data Adjustment Allegations Response Spreadsheet

	A	B	C	D	E	F	G	H	I	J	K	L
1	Borrower's SSN	Borrower's Name	Type of Loans	Number of Loans	Earlier of LDA or LTH	Date Entered Repayment	CPD, DD, ICRD, or N/A	FY(s)	Effect on Calculation	Agree/Disagree	Comments	Data Manager Code
2	999-99-9999	Loman, Connie	SF	1	07/15/1999	01/16/2000		FY 01	+D	Agree	Our records indicate that the school timely submitted documentation on Connie's change in enrollment	
3	888-88-8888	Petrie, Kristy	SF	2	07/15/1999	01/16/2000	08/15/2000	FY 01	No Change	Disagree	Our records indicate that the school did not timely submit documentation on Kristy's withdrawal	
4												
5												

Date 10/31/2003

Page 1 of 1

- ❖ Copies of the appropriate pages from the relevant loan record detail report(s) to demonstrate that the loans are new data. As mentioned, the new data must also be incorrect data.

To demonstrate that a record is considered new data, a school must include with its request a copy of the relevant page(s) from the loan record detail report from the draft period and the loan record detail report from the official period to show that the loan has been newly included, excluded, and/or changed in some manner between the calculation of the draft and official cohort default rates.

Each new data adjustment allegation must be accompanied by at least one page of a loan record detail report. The school should include the page where the borrower appears or where the borrower should have appeared if the borrower is incorrectly omitted. If the borrower is being moved from one cohort default period to another, the school should include the page of the loan record detail report where the borrower currently appears and the page of the loan record detail report where the borrower should appear. The school should provide both pages of the loan record detail report if the borrower belongs at the end of one page or at the beginning of the next page.

**Figure 4.4.2**

Sample School  
New Data Adjustment  
Allegations Spreadsheet  
to Data Manager

- ❖ Relevant supporting documentation.

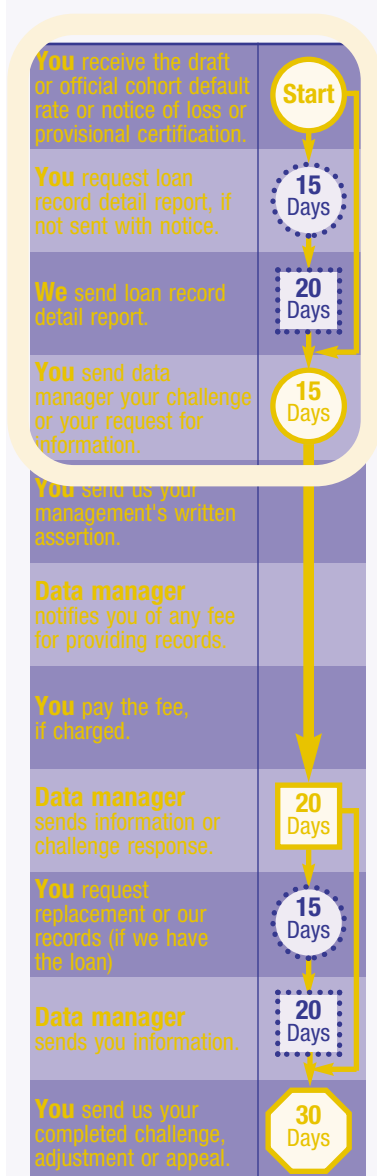
Chapter 3.1, “Cohort Default Rate Strategies,” contains examples of new data adjustment allegations a school may submit as a part of a new data adjustment and the sort of documentation a school should submit to support the new data adjustment allegations.

- ❖ A letter on the school’s letterhead.

The letter should include the school’s OPE ID number, a statement indicating that the school is submitting new data adjustment allegations, and the cohort fiscal year to which the new data adjustment allegations apply. The letter should feature a subject line that reads “Subject: FY [insert fiscal year being used in the new data adjustment] New Data Adjustment Allegations.” The letter should also include a certification sentence that the information provided is true and correct under penalty of perjury, a list of the other adjustments or appeals the school intends to submit to Default Management, and a notation that the school is sending a copy of the letter and the spreadsheet to Default Management. The school’s President/CEO/Owner should sign the letter, and the signature should be followed by a signature block showing the signer’s name and job title. Figure 4.4.3 is a sample school new data adjustment allegation letter to a data manager.

The school must send a copy of the letter and the new data adjustment allegation spreadsheet to Default Management at the same time it sends the complete new data adjustment allegation package to the data manager. The school does not need to send the pages of the loan record detail reports or the relevant supporting documentation to Default Management at this time unless the school is making new data adjustment allegations about a FFEL that the Department holds.

Default Management recommends that a school send all new data adjustment correspondence return receipt requested or via commercial overnight mail/courier delivery. This will be useful to a school if it is asked to authenticate the timeliness of its submission. A school should maintain the documentation which verifies the receipt of the materials as well as all documentation submitted as a part of the new data adjustment process. If a school does not meet the 15 calendar day time frame for submitting new data adjustment allegations, the new data adjustment allegations will not be reviewed.



**Figure 4.4.3 - Sample School New Data Adjustment  
Allegation Letter to Data Manager**



Coralville College  
5029 Greta Avenue  
Coral City, Iowa 12345-5029  
1-987-654-3211

October 17, 2003

ATTN: Lesa Neiers  
Compliance Officer  
State Guaranty Agency  
132 Ocean Front Road  
Black Diamond Bay, Nebraska 13213-0132

OPE ID #998998

Subject: FY 2001 New Data Adjustment Allegations

Dear Ms. Neiers:

Coralville College, OPE ID #998998, is submitting a list of new data adjustment allegations for FY 2001 for review by State Guaranty Agency. Please see the enclosed spreadsheet, loan record detail report pages from the draft and official periods, and supporting documentation.

I, the undersigned, certify under penalty of perjury that all information submitted in support of this participation rate index appeal is true and correct.

Coralville College is not submitting any other adjustments or appeals to Default Management.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, reading 'Serena Rooney'.

Serena Rooney  
President, Coralville College

Enclosures

cc: U.S. Department of Education,  
Default Management

### How does a school identify the data manager of a loan?

The guarantor/servicer code on the loan record detail report shows the data manager responsible for a loan. A school can use this number to obtain the name and address of the data manager. See the “Numerical Data Manager Contacts” section in Chapter 2.4, “Loan Record Detail Report Tools,” for a listing of data manager codes and addresses.

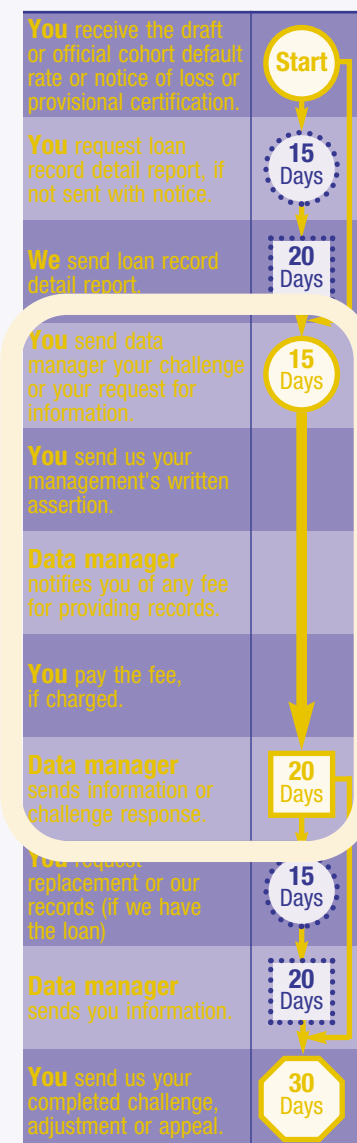
### How does a data manager respond to a school's new data adjustment allegations?

A data manager is required to respond to a school's timely submitted new data adjustment allegations for those loans for which the entity is the data manager. However, the data manager should not respond to new data adjustment allegations if the 15 calendar day time frame for a school to submit new data adjustment allegations has expired.

The data manager must respond to timely new data adjustment allegations within 20 calendar days of receiving the new data adjustment allegations. In its new data adjustment allegations response, the data manager will address each of the school's new data adjustment allegations. If the data manager does not respond within 20 calendar days, the school should advise Default Management in writing of the delay.

Within 20 calendar days of receiving the school's new data adjustment allegations, a data manager should determine if the school's submission is timely. The school must submit the new data adjustment allegations within 15 calendar days of receiving the loan record detail report for the official period. If the school's due date falls on a weekend or a federal holiday, a school may send its new data adjustment allegations to the data manager no later than the next federal business day.

Before denying a school's new data adjustment allegations on the basis of a late submission, a data manager should verify the actual date the school received its loan record detail report for the official period from Default Management. If the school did not submit the new data adjustment allegations in a timely manner, the data manager should not review any part of the submission. In its response to the school, the data manager should explain that it is unable to review the new data adjustment allegations because the school missed the regulatory deadline. The data manager should also send a copy of the response to Default Management.



If the submission is timely, a data manager should review each new data adjustment allegation submitted by the school. The data manager should determine the following:

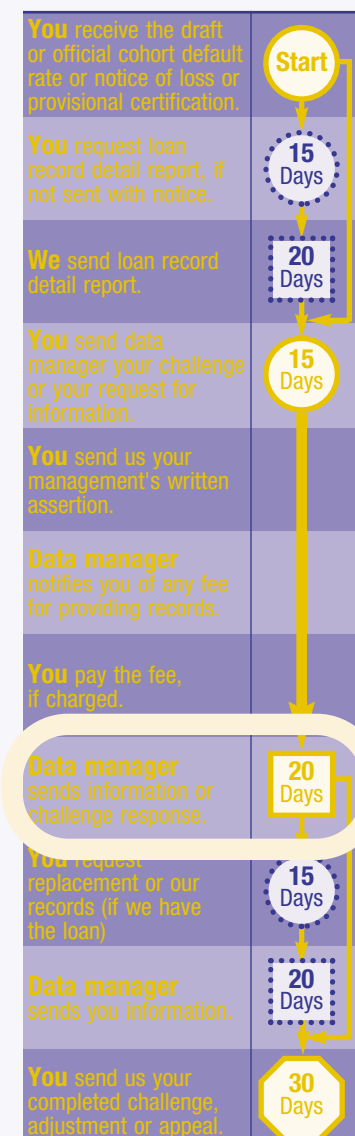
- ❖ The data manager should determine if the new data adjustment allegations presented by the school are based on loans that the data manager currently holds.

If the data manager does not hold the loans, the data manager should notify the school that the new data adjustment allegations should be submitted to the appropriate data manager and remind the school that the new data adjustment allegations must be submitted to the appropriate data manager within 15 calendar days of the school's receipt of its loan record detail report for the official period.

There will be some instances where the data manager was the former holder of the loans, and the loans have defaulted and been assigned to the Department, but the loan record detail report for the official period does not yet reflect the assignment. In that event, the data manager should send the school a notice stating that the loans have been assigned to the Department. The school then has until 15 days after receipt of the letter from the data manager to submit the new data adjustment allegations to the Department.

- ❖ The data manager should determine if all relevant material is present.

If a school fails to provide the data manager with all the necessary information, the data manager may ask the school to submit the missing information. However, the school must submit this additional information to the data manager within the initial 15 calendar day deadline for submitting new data adjustment allegations. If the school does not submit the additional information within the initial 15 calendar day deadline, the data manager should not review the new data adjustment allegations.



- ❖ The data manager should determine if its documentation supports or refutes the school's new data adjustment allegation.

The data manager should make a determination on each new data adjustment allegation listed on the school's spreadsheet. The data manager should agree with the school if the data manager's documentation supports the school's claim or if the school has demonstrated that the data manager has failed to take into account correct information the school timely sent to the data manager or NSLDS.

The data manager should disagree with the school if the data manager's documentation refutes the school's claim or the school failed to demonstrate that the correct information was timely submitted to the data manager or NSLDS. The data manager should notify the school why it disagrees with the school and send the school a copy of the data manager's supporting documentation. The data manager should send a copy of the new data adjustment allegations response and the supporting documentation to Default Management.

After making its determinations, the data manager should compile a list of the data manager's responses to the school's new data adjustment allegations. The data manager should record the responses to each of the school's alleged errors on a new data adjustment allegations response spreadsheet and provide comments on why the data manager agrees or disagrees with each of the school's new data adjustment allegations. In addition, the data manager should provide supporting documentation if the data manager disagrees with the school's new data adjustment allegations. If the data manager's response indicates that a loan has been repurchased, the data manager should provide the original claim paid date, the repurchase date, the reason the loan was repurchased, and the default date if any subsequent claim was filed.

The data manager new data adjustment allegations response should include the following:

- ❖ A list, in spreadsheet format, of the data manager's responses to the school's new data adjustment allegations.

Data Manager Name: State Guaranty Agency

**FY 2001 Data Manager New Data Adjustment Allegations Response Spreadsheet**

Data Manager Code: 111

School Name: Coralville College

OPE ID: 998998

Number of Borrowers: 2

Number of Loans: 3

	A	B	C	D	E	F	G	H	I	J	K	L
1	Borrower's SSN	Borrower's Name	Type of Loans	Number of Loans	Earlier of LDA or LTH	Date Entered Repayment	CPD, DD, ICRD, or N/A	FY(s)	Effect on Calculation	Agree/Disagree	Comments	Data Manager Code
2	999-99-9999	Loman, Connie	SF	1	07/15/1999	01/16/2000		FY 01	+D	Agree	Our records indicate that the school timely submitted documentation on Connie's change in enrollment	
3	888-88-8888	Petrie, Kristy	SF	2	07/15/1999	01/16/2000	08/15/2000	FY 01	No Change	Disagree	Our records indicate that the school did not timely submit documentation on Kristy's withdrawal	
4												
5												

Date 10/31/2003

Page 1 of 1

Figure 4.4.4 is a sample data manager new data adjustment allegation response spreadsheet to a school. See the blank spreadsheet and the instructions for creating and completing the spreadsheet in the "Incorrect Data Challenge, New Data Adjustment, and Erroneous Data Appeal Tools" section of Chapter 4.11, "Challenge, Adjustment, and Appeal Tools." A data manager may also photocopy the new data adjustment allegation spreadsheet a school submits and complete the comment column.

- ❖ Copies of supporting documentation for each new data adjustment allegation with which the data manager disagreed.
- ❖ A letter on the data manager's letterhead with the school's name and OPE ID number.

The letter should indicate that the data manager is responding to the school's new data adjustment allegations and the cohort fiscal year to which the response applies. The letter should feature a subject line that reads "Subject: FY [insert fiscal year being used in the new data adjustment] New Data Adjustment Allegations Response." The letter should also include a statement that a copy of the entire new data adjustment allegations response has been sent to Default Management. The responsible data manager official should sign the letter,

**Figure 4.4.4**

Sample Data Manager New Data Adjustment Allegation Response Spreadsheet

and the signature should be followed by a signature block showing the signer's name and job title. Figure 4.4.5 is a sample data manager new data adjustment allegations response letter.

The data manager must send its new data adjustment allegations response within 20 calendar days of receiving the new data adjustment allegations from the school. The data manager sends its new data adjustment allegations response to the school and a copy of the new data adjustment allegations response to Default Management.

**Which Department addresses should a data manager use when submitting a copy of a new data adjustment allegations response?**

The data manager should send the copy of the new data adjustment allegations response to Default Management via commercial courier or the U.S. Postal Service. Default Management will not accept any new data adjustment correspondence by facsimile (fax) or e-mail. If sent by commercial overnight mail/courier delivery, the address is

U.S. Department of Education  
Default Management  
ATTN: Data Manager New Data Adjustment Allegations Response  
Portals Building, Room 6300  
1250 Maryland Avenue, SW  
Washington, DC 20024

If sent by U.S. Postal Service, the address is

U.S. Department of Education  
Default Management  
ATTN: Data Manager New Data Adjustment Allegations Response  
Portals Building, Room 6300  
400 Maryland Avenue, SW  
Washington, DC 20202-5353

A data manager should not send new data adjustment allegations response materials to any other addresses at the Department.

Default Management recommends that a data manager send all new data adjustment correspondence to a school or to Default Management via return receipt requested or via overnight courier delivery. A data manager should maintain the documentation that verifies the receipt of the new data adjustment correspondence as well as all documentation submitted as a part of the new data adjustment process. The data manager can use this information when submitting monthly status reports to Default Management. For additional information on monthly status reports, see Chapter 3.3, "Monthly Status Reports."

**Figure 4.4.5 - Sample Data Manager New Data Adjustment Allegations Response Letter**



132 Ocean Front Road  
Black Diamond Bay, Nebraska 13213-0132

October 31, 2003

Serena Rooney  
President  
Coralville College  
5029 Greta Avenue  
Coral City, Iowa 12345-5029

OPE ID#998998

Subject: FY 2001 New Data Adjustment Allegations Response

Dear Ms. Rooney:

This is State Guaranty Agency's response to the FY 2001 new data adjustment allegations Coralville College, OPE ID#998998, submitted on October 17, 2003. Please see the enclosed spreadsheet and supporting documentation for those new data adjustment allegations with which we disagree.

Sincerely,

A handwritten signature in cursive script that reads "Yvonne Carter".

Yvonne Carter  
CEO

Enclosures

cc: U.S. Department of Education  
Default Management

### What does a school do with the data manager's new data adjustment allegations response?

As noted, the data manager must respond to a school's new data adjustment allegations within 20 calendar days of receiving the submission. If the data manager disagrees with a school's new data adjustment allegations, it should provide documentation to support its decision.

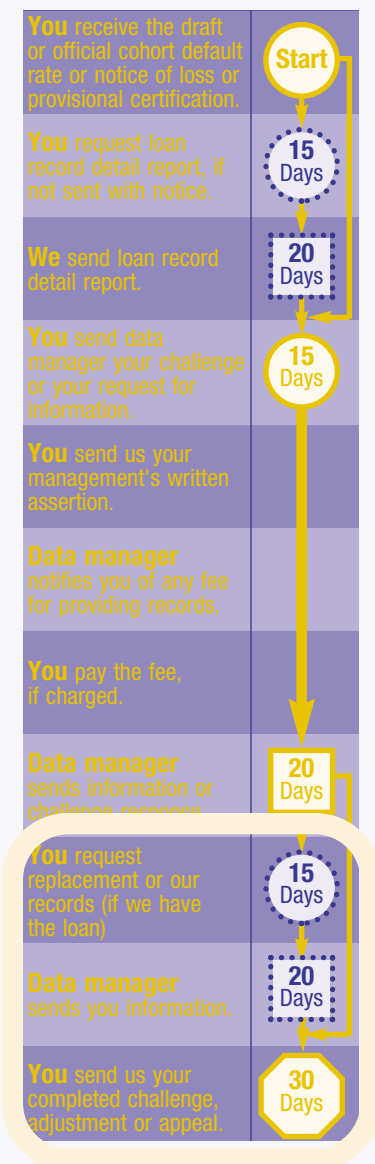
A school can submit a request to the data manager for a clarification of the new data adjustment allegations response. A school can also submit a request to the data manager for missing records and/or the replacement of illegible records. A school must submit such a request to the data manager within 15 calendar days of the receipt of the new data adjustment allegations response. The school should also send a copy of the inquiry letter to Default Management. The data manager should respond to the school's inquiry within 20 calendar days of receiving the inquiry and send a copy of the response to Default Management. A school cannot appeal a data manager's new data adjustment allegations response to Default Management.

Within 30 calendar days of receiving the last response to all of the school's new data adjustment allegations, the school must decide how to proceed and prepare a response to Default Management accordingly. If the response indicates that there is no incorrect new data in the school's official cohort default calculation, the school can proceed no further. The school must notify Default Management that the school is withdrawing the new data adjustment.

If the data manager agrees with any of the school's new data adjustment allegations, the school should submit a new data adjustment to Default Management. Only Default Management can make the recommended changes to the school's official cohort default rate.

If the school continues with the new data adjustment, it must submit a new data adjustment to Default Management within 30 calendar days of receiving the last response to the school's new data adjustment allegations with the following exception: If the school is submitting the new data adjustment to Default Management along with a timely erroneous data appeal or a timely loan servicing appeal, the school may submit all materials by the later of

- ❖ within 30 calendar days of receipt of the last response to all of the school's new data adjustment allegations,
- ❖ within 30 calendar days of receipt of the last response to all of the school's erroneous data appeal allegations, or



- ❖ within 30 calendar days of receipt of the last response to all of the school's requests for loan servicing records.

If the school does not submit the new data adjustment in a timely manner, Default Management will not review the new data adjustment and will return all new data adjustment materials to the school. The school should submit to Default Management the following:

- ❖ A spreadsheet that lists the new data adjustment allegations with which the data manager agreed.

Figure 4.4.6 is a sample school new data adjustment spreadsheet to Default Management. See the blank spreadsheet and the instructions for creating and completing the spreadsheet in the "Incorrect Data Challenge, New Data Adjustment, and Erroneous Data Appeal Tools" section of Chapter 4.11, "Challenge, Adjustment, and Appeal Tools." A school may photocopy and use the blank spreadsheet when submitting a new data adjustment or create its own spreadsheet using the layout provided.

School Name: Coralville College

OPE ID: 998998

Number of Borrowers: 1

Number of Loans: 1

**FY 2003 New Data Adjustment Spreadsheet**

	A	B	C	D	E	F
	<b>Borrower's SSN</b>	<b>Borrower's Name</b>	<b>Type of Loans</b>	<b>Number of Loans</b>	<b>Date Data Manager Agreed (MM/DD/CCYY)</b>	<b>Data Manager Code</b>
1						
2	999-99-9999	Loman, Connie	SF	1	11/12/2003	111
3						
4						

Date 11/15/2003

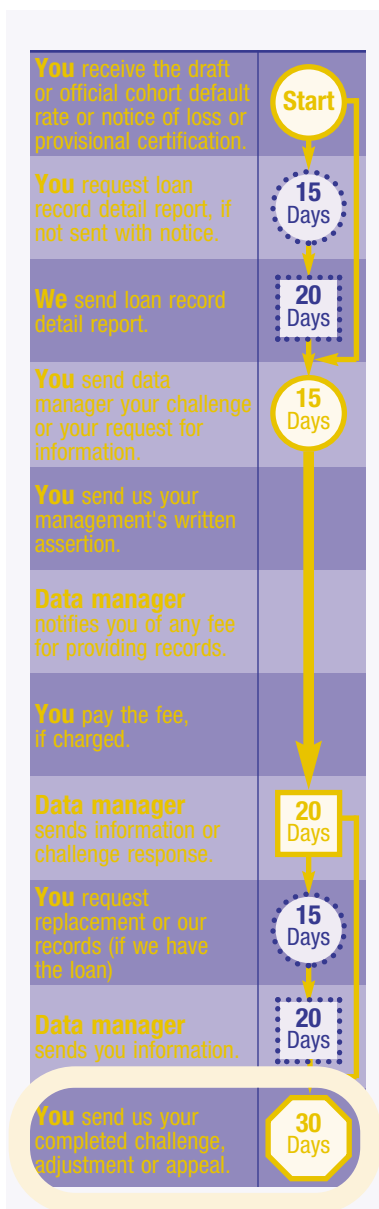
Page 1 of 1

**Figure 4.4.6**

Sample School New Data Adjustment Spreadsheet

- ❖ Copies of the data manager new data adjustment allegations responses confirming that a change is warranted.
- ❖ A letter on the school's letterhead.

The letter should include the school's OPE ID number, a statement indicating that the school is submitting a new data adjustment, and the cohort fiscal year to which the new data adjustment applies. The letter should feature a subject line that reads "Subject: FY [insert fiscal year being used in the new data adjustment] New Data Adjustment." The letter should also include a certification sentence that the information provided is



true and correct under penalty of perjury, a list of the other adjustments or appeals the school intends to submit to Default Management, and a notation that the school is sending a copy of the letter and the spreadsheet to the data manager(s). The school's President/CEO/Owner should sign the letter, and the signature should be followed by a signature block showing the signer's name and job title. Figure 4.4.7 is a sample school new data adjustment letter to Default Management.

### Which Department addresses should a school use when submitting a new data adjustment?

The school must send the new data adjustment to Default Management via commercial courier or the U.S. Postal Service. Default Management will not accept any new data adjustment correspondence by facsimile (fax) or e-mail. If sent by commercial overnight mail/courier delivery, the address is

U.S. Department of Education  
Default Management  
ATTN: New Data Adjustment  
Portals Building, Room 6300  
1250 Maryland Avenue, SW  
Washington, DC 20024

If sent by U.S. Postal Service, the address is

U.S. Department of Education  
Default Management  
ATTN: New Data Adjustment  
Portals Building, Room 6300  
400 Maryland Avenue, SW  
Washington, DC 20202-5353

A school should not send new data adjustment materials to any other addresses at the Department.

Default Management recommends that a school send all new data adjustment correspondence return receipt requested or via commercial overnight mail/courier delivery. This will be useful to a school if it is asked to authenticate the timeliness of its new data adjustment. A school should maintain the documentation which verifies the receipt of the new data adjustment as well as all documentation submitted as a part of the new data adjustment process. If a school does not meet the time frame for submitting a new data adjustment, the adjustment will not be reviewed.

**Figure 4.4.7 - Sample School New Data Adjustment  
Response Letter to Default Management**

Coralville College  
5029 Greta Avenue  
Coral City, Iowa 12345-5029  
1-987-654-3211

November 15, 2003

U.S. Department of Education  
Default Management  
ATTN: New Data Adjustment  
Portals Building, Room 6300  
400 Maryland Avenue, SW  
Washington, DC 20202-5353

OPE ID#998998

Subject: FY 2001 New Data Adjustment

To Whom It May Concern:

Coralville College, OPE ID#998998, wishes to request a new data adjustment to its FY 2001 official cohort default rate. Please see the enclosed spreadsheet, loan record detail report pages from the draft and official periods, supporting documentation, and copies of data manager new data adjustment allegation responses for those new data adjustment allegations with which the data managers agreed.

I, the undersigned, certify under penalty of perjury that all information submitted in support of this participation rate index appeal is true and correct.

Coralville College is not submitting any other adjustments or appeals to Default Management.

Thank you for your consideration.

Sincerely,

Serena Rooney  
President, Coralville College

Enclosures

**What happens after the school submits the new data adjustment?**

Default Management will review only the information submitted with the new data adjustment and will not review information submitted after the deadline. Default Management will send the school and each involved data manager written notification of Default Management's decision. Default Management's decision is final and no further administrative review is provided.

If Default Management determines, using the standard of review described in 34 CFR 668.189(f), that a school's official cohort default calculation data is incorrect, Default Management will correct the new data and recalculate the official cohort default rate using the corrected data.

If the school was notified that it was subject to sanction and the new data adjustment is successful and the revised official cohort default rate is below the sanction level, Default Management will withdraw the sanction notice. If the school was notified that it was subject to sanction and the new data adjustment is unsuccessful (or if the new data adjustment is successful but the revised official cohort default rate remains above the sanction level), and the school has no other outstanding adjustments or appeals, Default Management will notify the school of the effective date of the sanctions.

If a school that is subject to loss of eligibility to participate in the FFEL and/or Direct Loan programs loses a cohort default rate adjustment or appeal, the school will be liable for certain costs associated with any FFELs the school certifies and/or any Direct Loans the school originates during a specified liability period. The liability period begins 30 calendar days after the school receives notice that it is subject to loss of eligibility and ends upon the earlier of

- ❖ the withdrawal of the adjustment or appeal,
- ❖ the resolution of the adjustment or appeal, or
- ❖ the 45th calendar day after the date the school submitted the adjustment or appeal to Default Management for review.

A school may avoid a liability associated with an unsuccessful cohort default rate adjustment or appeal if the school chooses not to certify and/or originate loans during the liability period.